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CENTRAL INTELLIGENCE AGENCY

30 April 1954

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Post Mortem of 1953 Production

1. Attached (Enclosure "A") is a statement of intelligence deficiencies which have been identified by reviewing the NIE's produced in 1953. This statement was considered by your representatives on 27 April.

2. The procedure followed in this case was experimental; it differs from the approved procedure (Enclosure "B") in that the total production was used as a basis for the statement of deficiencies rather than having a separate statement prepared for individual estimates.

3. As a result of this exercise, we believe that some modification of the present procedure is desirable along the lines of Enclosure "C".

4. Action

a. The Post Mortem of 1953 Production will be placed on the IAC agenda at an early date.

b. The proposed revision of the procedure is submitted for review. Your representatives will be contacted within the next few days for their views before it is formally submitted to the IAC.

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Acting Assistant Director
National Estimates

Distribution "A"

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Enclosure "A"

CENTRAL INTELLIGENCE AGENCY

30 April 1954

SUBJECT: POST MORTEM OF 1953 PRODUCTION

The following is a review of intelligence deficiencies revealed during preparation of National Intelligence Estimates during 1953. The principal estimates upon which these findings are based are listed in TAB "A."

1. GENERAL

- * a. An improvement in the liaison between operational and intelligence echelons in the field and in Washington would result in the more timely receipt of intelligence and the receipt of additional intelligence.
 - b. Generally, information is more easily obtainable on the Satellites (particularly on East Germany and East Berlin) than on the USSR. Since intelligence on the Satellites is of considerable
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- * The representative of the DI/USAF reserved the position of APOIN on paragraph a.

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help in analyzing developments in the USSR, an expanded effort should be made to exploit all available channels for obtaining economic, political, scientific, and military information on the Satellites.

- c. In view of the relative paucity of information and intelligence on the USSR, it is important that what is available be exploited fully. Soviet propaganda is one source which possibly could be more fully exploited.

2. SOVIET BLOC

The gaps in our intelligence with respect to the Soviet Bloc have been widely recognized for a long time. Many of them will probably never be filled. During 1953 a need was expressed for more effort on the resistance potential in the Bloc. Accordingly, on 8 December 1953, the IAC authorized creation of an Ad Hoc Resistance Intelligence Committee. Experience during 1953 also indicated a need for greater collection and research efforts in the following key areas:

- a. Aircraft Production. With the growth of Soviet atomic power, accurate estimates of Soviet long-range and fighter aircraft production are of critical

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importance. Efforts should therefore be continued to improve the basis of estimates of Soviet aircraft production.

- b. Basic Science and Technology. Special emphasis should be put on the collection and research effort in the field of electronics.
- * c. Air Offense and Defense. Continued emphasis on weapons having possible dual offensive and defensive mission: missile development and production; and, aircraft development and production.
- * d. Soviet Offensive Capabilities. Submarine characteristics, particularly propulsion, and of weapons for use with submarines (torpedoes, mines, and missiles). Of continuing interest are Soviet capabilities and developments in the fields of AW, RW, BW, and CW.
- * e. Soviet Defensive Capabilities. Early warning, filter process, and communications relating to air defense; airborne radar; and ground control intercept.

* The representative of the DI/USAF reserved the position of AFOIN on paragraphs c., d., and e.

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- f. Economic Trends. Intelligence materials on the various sectors of the Soviet economy are inadequate for fully satisfactory analyses of economic developments and trends. All agencies having intelligence production responsibilities in this field should re-examine and refine so far as possible the materials relating to its specific areas of responsibility and each should seek to improve its field collection efforts.
- g. European Satellites. Significant gaps in intelligence on the Satellites revolve on the extent and nature of resistance movements, and the nature of the Soviet mechanism for exercising control in these countries.

3. FAR EAST

Many of the intelligence deficiencies in the Communist Far East are similar to those that exist for the Bloc as a whole. The most critical gaps throughout the Far East include:

- a. Sino-Soviet Relations. Our ability to estimate Communist capabilities and courses of action in

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the Far East will depend to a large extent on our knowledge of the nature of all aspects of the Sino-Soviet relationship. This is largely a collection problem and should be given a very high priority.

- b. Communist Courses of Action. The reaction and extent of the effect on Communist courses of action in Asia of a significant change in the military situation in Indochina.
- c. Chinese Communist Economy. Experience during 1953, particularly in the preparation of SE-37, indicated a continuing need for more specific and reliable information on Chinese economic development. One important example is China's transportation capabilities, particularly as these affect Chinese military capabilities.
- d. Viet Minh Capabilities and Intentions. During 1953 we have continued to rely almost exclusively on French sources for information concerning Viet Minh capabilities and intentions, both military and political, and concerning Chinese Communist

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support of the Viet Minh. Steps should be taken to develop independent sources of intelligence in this field.

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f. Indonesia. Preparation of NIE-77 and SE-51 revealed the continuing and urgent need for more information on the political orientation of the Indonesian Government and the capabilities and intentions of the Communist and other dissident groups in Indonesia.

g. Burma. The fluid and confused situation in Burma requires a steady flow of information on the orientation of the Burmese Government and its capabilities and intentions with respect to Communist and other dissident groups.

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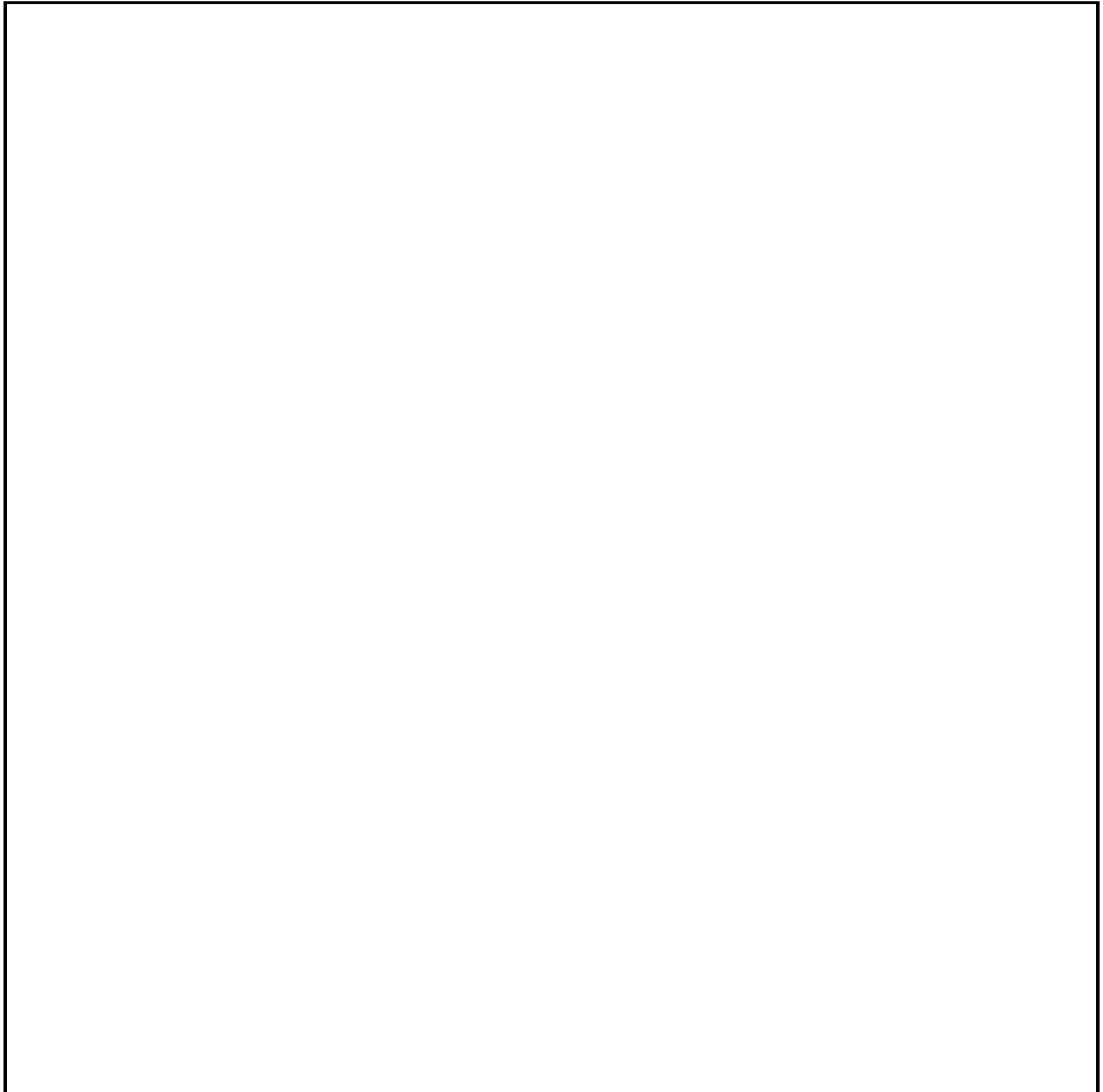


* The G-2 representative reserved the position of G-2 on paragraph e.

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5. MIDDLE EAST-AFRICA

Experience during 1953 indicated that over-all intelligence coverage of the Middle East is good. The top priority targets

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remain Iran and Egypt. The principal intelligence gaps noted -- and these were not critical -- were:

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- b. Indian Border Areas. Reporting from the Indian border areas, particularly from Kashmir and Nepal, was inadequate in view of increasing Communist interest in the area and indications of increasing friction between these areas and India.
- c. Egypt. Although coverage of the Anglo-Egyptian dispute was excellent, further coverage would be useful on the internal political situation, particularly on the activities of the opposition.
- d. Africa. Intelligence coverage of Africa is meager. We rely too heavily on the European metropolises for the limited information we receive on such issues as Communism, nationalism, racial tension, and intertribal relations. Assuming

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continued growth on the importance of Africa as a raw material source for the US, and growing unrest throughout the continent, broader intelligence coverage will become increasingly important.

6. LATIN AMERICA

Over-all intelligence coverage of Latin America is good. However, deficiencies exist in the following fields:

- a. Military opinion: Fuller reporting is desirable on the political positions of important military figures and on trends in the political views of both senior and junior military officers. With respect to Guatemala, more information is desirable on the degree of disaffection or anxiety in the officer corps resulting from Arbenz' collaboration with Communists and the army's inability to obtain US military material.
- b. Communism. Fuller information is needed on trends in Communist party strengths, and on Communist infiltration of government, labor, and intellectual circles, especially in Argentina and Bolivia.

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- c. The situation of labor. More concrete information is desired on the political orientation and the economic status of both organized and unorganized labor in all the countries with politically significant labor movements.

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TAB "A"
O/NE Memo
30 April 1954

PRINCIPAL NIE PRODUCTION BASE FOR 1953 POST MORTEM FINDINGS

1. SOVIET BLOC

| | |
|---------|---|
| NIE-65 | Soviet Bloc Capabilities through 1957 |
| NIE-81 | Probable Soviet Courses of Action with Respect to Germany through Mid-1954 |
| NIE-87 | Probable Developments within the European Satellites through Mid-1955 |
| NIE-90 | Soviet Bloc Capabilities through Mid-1955 |
| NIE-95 | Probable Soviet Bloc Courses of Action through Mid-1955 |
| SE-36 | Soviet Capabilities for Attack on the US through Mid-1955 |
| SE-36/1 | Soviet Capabilities for Attack on the US through Mid-1955 |
| SE-38 | Soviet Bloc Capabilities and Probable Courses of Action in Electromagnetic Warfare |
| SE-39 | Probable Consequences of the Death of Stalin and of the Elevation of Malenkov to Leadership in the USSR |
| SE-40 | Communist Reactions to US Establishment of a "Volunteer Freedom Corps" |
| SE-42 | Current Communist Tactics |
| SE-46 | Probable Long-Term Development of the Soviet Bloc and Western Power Positions |
| SE-47 | Probable Effect of Recent Developments in Eastern Germany on Soviet Policy with Respect to Germany |

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2. FAR EAST

- NIE-74 Probable Developments in Burma through 1953
- NIE-77 Probable Developments in Indonesia
- NIE-80 Communist Capabilities and Probable Courses of Action in Korea
- NIE-91 Probable Developments in Indochina through 1954
- SE-37 Probable Effects on the Soviet Bloc of Certain Courses of Action Directed at the Internal and External Commerce of Communist China
- SE-45 Thailand's Ability to Withstand Communist Pressure or Attacks through Mid-1954
- SE-48 Capabilities and Probable Courses of Action of the Republic of Korea with Respect to the Armistice in Korea
- SE-51 The Significance of the New Indonesian Government
- SE-53 Probable Communist Reactions to Certain Possible Developments in Indochina

3. WESTERN EUROPE

- NIE-63 France's Probable Future Role in the Western Security System
- NIE-63/1 Probable Short-Term Developments in French Policy
- NIE-71 Probable Outlook for Italy

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- NIE-93 Probable Developments in Yugoslavia

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- SE-54 The Political Outlook in Italy

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4. NEAR EAST AFRICA

NIE-73 Conditions and Trends in the Middle East
 Affecting US Security

NIE-75/1 Probable Developments in Iran through 1953

NIE-76 Probable Developments in Egypt

NIE-79 Probable Developments in South Asia

NIE-83 Conditions and Trends in Tropical Africa

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NIE-102 Probable Developments in Iran through 1954

SE-49 The Current Outlook in Iran

5. LATIN AMERICA

NIE-84 Probable Developments in Guatemala

NIE-85 Probable Developments in Chile

NIE-86 Probable Developments in Brazil

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Enclosure "B"

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

3 June 1952

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: Procedure for Reducing Intelligence Deficiencies in
National Intelligence Estimates

The attached procedure has been approved and is
circulated for information pursuant to IAC action on 22 May
(see para. 2, IAC-M-71). 25X1


D/Asst. Director/Adm.
National Estimates

Distribution "A"

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SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

3 June 1952

PROCEDURE FOR REDUCING INTELLIGENCE DEFICIENCIES
IN NATIONAL INTELLIGENCE ESTIMATES

1. When terms of reference are circulated, agencies will be requested to ascertain at once items in their fields regarding which there is inadequate intelligence. Each agency will refer such items to appropriate collection agencies with a request that needed intelligence be secured, when practicable, in time for use in the estimate.
2. During the preparation of the integrated draft, inadequacies that are discovered in contributions will be referred to the contributing agencies for elaboration. This may be done in writing or through informal conference. Sometimes the elaboration will be a matter of research. At other times collection may be necessary.
3. During the time when the draft estimate is before IAC representatives, if the inadequacy of available intelligence is ascertained, the requirement may be discussed either within the meeting or informally outside it. If a subsequent draft is circulated, this draft will note the requirement with a statement that the appropriate agency either has been or is thereby requested to clarify or amplify the point.

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4. After an estimate is finished, each agency will collect comments from appropriate sources and refer them to the Assistant Director for National Estimates. On the basis of these comments, supplemented by its own views, the Office of National Estimates will:

- a. Prepare a "Consolidated Critique" containing the comments received from agencies and also O/NE views, with a summary indicating weaknesses in the conclusions or supporting evidence that are suggested either by the comments or by O/NE itself. Such a "Consolidated Critique" will be circulated to the agencies for information.
- b. In addition, on its own initiative or at the request of any of the participating IAC agencies, draft a proposed "Statement of Intelligence Deficiencies." This will include intelligence deficiencies pointed out in comments received from agencies and also those believed by O/NE to exist.

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5. Following circulation of a draft Statement, (under 4 b), O/NE will convene a meeting to be attended by representatives of the agencies, and of the Assistant Director for Intelligence Coordination, CIA. The purpose of this meeting will be (1) to determine whether existing intelligence is inadequate and in what respects; (2) to determine whether corrective action is needed in the collection or research fields.

6. After this meeting a Statement of findings will be forwarded to the Director of Central Intelligence. This Statement may be accompanied by recommendations for action, if appropriate, or by a statement that no specific action is recommended and that each agency will take continuing action within the field of its responsibilities. Upon receipt of this Statement the Director of Central Intelligence will forward it to the members of the IAC for information or action, as appropriate.

7. By receipt of a copy of the Statement, the Assistant Director for Intelligence Coordination will be designated as the DCI's action officer.

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Enclosure "C"

DRAFT

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT : Revision of Procedure for Reducing Intelligence
Deficiencies in National Intelligence
Deficiencies *Estimates*

REFERENCE : Paragraph 2, IAC-M-71 and ONE Memorandum to
IAC on above subject dated 3 June 1952.

1. The existing procedure for reducing intelligence deficiencies in National Intelligence Estimates has been found unsatisfactory and is only occasionally used. The principal reason for this disuse appears to stem from the difficulty of using individual and often specialized estimates as a basis for formulating comprehensive guides for collection and research by the appropriate agencies.

2. Based on a ^{trial} ~~trail~~ run covering 1953 production, the IAC representatives have concluded that such comprehensive guidance could better be provided by a quarterly critique on intelligence gaps to be published as part of the quarterly program for the production of National Intelligence Estimates. Such a publication would permit the IAC to discharge its responsibility for detecting and reducing intelligence deficiencies more effectively than a series of overlapping and narrow directives tied specifically to individual estimates.

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RECOMMENDATION

3. It is therefore recommended that the IAC revise its procedure as follows (reference ONE Memorandum of 3 June 1952):

a. No change in Paragraphs 1 thru 3

b. Paragraphs 4 thru 7 to read as follows:

"4. After an estimate is finished, each agency will collect comments from appropriate sources and refer them to the Assistant Director for National Estimates. On the basis of these comments, supplemented by its own views, the Office of National Estimates will prepare a quarterly "Statement of Intelligence Deficiencies". The statement may be accompanied by recommendations for action, if appropriate, or by a statement that no specific action is recommended and that each agency will take continuing action within the field of its responsibilities. After the IAC representatives have convened to discuss this draft statement, the final report will be submitted for approval by the IAC."

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